GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:3953
ANSWERED ON:20.04.2005
ALLOCATION OF FUNDS UNDER POVERTY ALLEVIATION PROGRAMMES
Preneet Kaur Smt.

Will the Minister of PLANNING be pleased to state:

(a) the criteria for allocation of funds to the States under various Poverty Alleviation Programmes;

(b) whether as a result of the existing criteria, the progressive and performing States get lesser funds and are, thus, punished for their good work;

(c) if so, the facts there of;

(d) whether there is any proposal under consideration of the Ministry to evolve different criteria for progressive and not so progressive States to ensure equitable devolution of funds under the various Poverty Alleviation Programmes;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN)

(a) to (c): In pursuance of a decision taken in the meeting of the National Development Council (NDC) held in February 1999, a NDC Committee on the Criterion for Allocation of Funds Under Major Rural Poverty Alleviation Programmes was set up under the Chairmanship of Deputy Chairman, Planning Commission. Members of the committee included Union Minister for Rural Development, Union Minister of State for Planning and Chief Ministers of Orissa, Rajasthan, Tamil Nadu and Uttar Pradesh. The NDC Committee discussed various criteria for allocation of funds under major Rural Poverty Alleviation Programmes. There was a consensus and agreement on continuation of the 15 per cent adjusted shares as approved by the full Planning Commission under the Chairmanship of Prime Minister as the criterion for allocation of funds under major rural poverty alleviation programmes. These Adjusted Shares are presently being used as the criterion for allocation of funds under major rural poverty alleviation programmes

(d) to (f): An Expert Group on the criterion for allocation of funds under Major Rural Poverty Alleviation Programmes was set up in July 2001 in the Planning Commission. The Report of the Expert Group recommended that a committee be set up to review the methodology of poverty estimation and till such time the existing criteria should continue.